

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

> GARY R. HERBERT Lieutenant Governor

July 7, 200 2006 PNB =

CERTIFIED RETURN RECEIPT 7004 2510 0004 1824 4943

Dexter L. Anderson Red Dome, Inc. 5865 West 200 South Fillmore, Utah 84631

Subject: Fourth Review of Notice of Intention to Commence Large Mining Operations, Red

Dome, Inc. Red Dome Mine, M/027/032, Millard County, Utah

Dear Mr. Anderson:

The Division finds the Notice of Intention to Commence Large Mining Operations (Notice) submitted on May 11, 2005 and June 6, 2005 incomplete. After reviewing the latest information, the Division has the following comments that need to be addressed before tentative approval may be granted. The comments are listed below under the applicable Minerals Rule heading. Please format your response in a similar fashion. Address only those items requested in the attached technical review by sending replacement pages of the original notice using redline and strikeout text.

Please provide a response to this review by August 15, 2006. If you have any questions in this regard or wish to schedule a meeting to discuss this review please contact Tom Munson or Susan White. Thank you for your cooperation in completing this permitting action.

Sincerely,

Susan M. White

Mining Program Coordinator

Turan M. White

Minerals Regulatory Program

SMW:tm:jb Attachment: Review

cc: Sherry Hirst, BLM, Fillmore FO (UTU-070557)

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Fourth REVIEW OF NOTICE OF INTENTION TO COMMENCE LARGE MINING OPERATIONS

Red Dome, Inc. Red Dome Mine

> M/027/032 July 7, 2006

R647-4-104 - Operator's, Surface and Mineral Ownership

The plan indicates that the land ownership is BLM but Red Dome owns the mineral, is this correct? (DJ)

R647-4-105 - Maps, Drawings & Photographs

105.1 Topographic base map, boundaries, pre-act disturbance

The base map (Revision #1) contained in the plan shows acreage for each of the different areas around the site. The main pit area is shown as covering 53 acres. Is the area to be bonded the entire 53 acres? (DJ)

A legend should be added to the base map indicating what the significance of the shaded areas. (DJ)

Acreage totals are not shown for all shaded areas on the map. Please indicate acreage totals for all these areas. (DJ)

The plan indicates that a total area of 64 acres will be permitted for this site. Please place an outline of this area on the maps contained in the plan. (DJ)

On Exhibit 2-c some areas are shown as reclaimed and an additional area is shown as a part of the mining operation. Please indicate the acreages of the area shown as mining operations, reclaimed land, and areas cleaning up to be reclaimed. (DJ)

105.2 Surface facilities map

A map of a larger scale than 1"=1000' should be included with the application, the map is needed to show the surface facilities. This map should show the location of the crushing and screening area, conveyors, the location of all stockpiles, location of the well, power lines, office, roads to be reclaimed, etc. The suggested scale of this map is 1"=100'.

The acreage listings for the mine indicates that there will be 50 acres of mining, five acres of ore/product stockpiles, four acres of roads (other than public roads) and five acres of on-site processing facilities.

Please show an outline of these areas on the surface facilities map. (DJ)

105.3 Drawings or Cross Sections (slopes, roads, pads, etc.)

The Division appreciates the effort made by Mr. Lynn Wall to furnish cross-sections of the mine area in lieu of a recent topographic map. The cross-sections were necessary to show the pit slopes before and after reclamation. (DJ)

R647-4-106 - Operation Plan

- 106.5 Existing soil types, location, amount

 The Soils report submitted show that while soils are limited on site, existing soils would be suitable for reclamation. Please provide plans to salvage all available soil as mining progresses into undisturbed areas. (LK)
- 106.6 Plan for protecting & redepositing soils
 Please describe how soils will be salvaged, stockpiled and protected so that they are available for reclamation. At a minimum, soil stockpiles should be seeded and bermed. Describe how soil materials will be used for reclamation, including average depth of re-application. (LK)

R647-4-107 - Operation Practices

- 107.4 Deleterious material safety stored or removed

 Containment areas placed beneath fuel tanks should be able to contain a minimum of 110% of the capacity of the tanks located within the area. (DJ)
- 107.5 Suitable soils removed & stored
 Please refer to comments under R647-4-106.5. (LK)

R647-4-110 - Reclamation Plan

110.2 Roads, highwalls, slopes, drainages, pits, etc., reclaimed

The plan indicates that the metal shop building will be torn down and removed from the site upon closure. Please furnish a description of this building, length, width, & height, depth of concrete on the floor and reinforcement (if any) (DJ)

There are other buildings, a well and power lines associated with this mine. What will be the disposition of these facilities? Unless these items have a post-mine function, they will need to be reclaimed during final closure. (DJ)

Please provide details of the revegetation plan. At a minimum, describe seedbed preparation, soil amendments to be used. Seeding method(s) to be employed, and timing (mid-October through November preferred seeding time). It is suggested that 1/2 pound per acre of forage kochia be added to the proposed seed mix and 10 ton/acre of composted manure, wood chips or biosolids. (LK)

R647-4-113 - Surety

The Division acknowledges that a surety bond for the reclamation of the site is presently being held by the Division. We are unable to ascertain whether the bond amount will be sufficient until the details of this plan have been completed. An evaluation of the adequacy of this bond will be made at that time. (DJ)

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